

North Korea's "War Business" and the Choice for China

Cho Min

*Senior Research Fellow,
Center for Unification Policy Studies*

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North Korea aimed to gain various strategic benefits from the Yeonpyeong attack. Already the theory that the attack was intended to show off the successor's leadership and grip on power has become conventional wisdom. Other explanations are that it was done to influence negotiations with the US or to threaten the South Korean government. These arguments are also persuasive; i.e., by turning the Northern Limit Line (NLL) into a conflict zone and raising tensions on the peninsula, the North Korean regime hopes to successfully achieve their demands in negotiations with the US and pressure the ROK government to change their North Korea strategy. But North Korea's true aim lies in a different place. The character of the Yeonpyeong attack strongly suggests that North Korea now views China as a strategic target. North Korea is executing a precisely calculated "war business" strategy which looks beyond South Korea and the US and takes aim at China.

Kim Jong Il took advantage of the Cheonan sinking to show off the strength of DPRK-China ties through two summit meetings with Chinese President Hu Jintao. Of course, strong DPRK-China ties are a reaction to a strong ROK-US alliance. In this ongoing phase of pressure and sanctions, North Korea is forced to focus its regime preservation efforts on China, and China has to take on the burden of its "troublemaker" neighbor, despite its frustrations, in order to secure a buffer zone and an outlet to the East Sea. In such circumstances, as the strategic interests of both countries have grown more urgent, it is only natural that DPRK-China ties would grow stronger.

Nevertheless, North Korea has yet to reap any substantial gains from the restoration of the “blood alliance” between North Korea and China. At the summit in Beijing last May Kim Jong Il presented a “wish list” for North Korean aid but was turned back by a tepid response from China, and since the Changchun summit in August they have not received a satisfactory amount of military and economic aid. While China is obviously aware of the difficult situation North Korea has been in since late September as it rushes to establish the succession system, it has not shown a willingness to send “prodigious” amounts of aid. In fact, since the time of Kim Il Sung, the North Korean regime has not shown much faith even in the socialist superpower the Soviet Union, and it has never truly trusted China. Despite holding two consecutive summit meetings, China shows no intention of providing North Korea with unconditional aid. In this situation Kim Jong Il has apparently decided that, rather than laying low, the most effective strategy is to show China that if they do not deliver aid then the regime will have no choice but to exacerbate the regional situation.

South Korea, China, and Security Crises in Northeast Asia

Who suffers the most when North Korea shakes up the Northeast Asian security structure surrounding the Korean peninsula? Who is expected to step up and directly exert pressure on North Korea? It goes without saying that South Korea sustains the most damage when security crises break out on the peninsula. The Samsung Economic Research Institute estimated that South Korea would gain at least 21 trillion won in direct and indirect economic benefits from the G20 summit. This is equivalent to exporting 1 billion Hyundai Sonata vehicles, or 165 oil supertankers. And yet with a single artillery bombardment from North Korea, this enormous “Korea premium” has evaporated and been replaced by a “Korea discount” from which we can expect untold economic damage in the future. It was a further confirmation that South Korea is powerless against such security threats in the current weak security structure.

With both the economy and the city of Seoul (which is within reach of North Korea’s long-range artillery) being effectively held hostage, the South Korean government has few workable military options. Their next best option is to “appropriately” manage North Korea so that security crises can be pre-empted. Unfortunately, they failed to learn this lesson after the “blood sacrifice” of the Cheonan attack. Is it too soon to call this a “failed policy” toward the “failed state” of North Korea? In that case North Korea can gain no immediate benefit from us through additional provocations. North Korea cannot possibly expect to gain aid from the Lee Myung Bak government as a result of this latest attack. Of course if the negotiations are restarted they may obtain some South Korean aid, but failing that they appear prepared to wait two more years while continuing to terrorize the South, and then start over with the next administration. Despite the security crises that erupt on the peninsula with every North Korean provocation, the embarrassing

reality is that there are limits to our ability to apply military leverage against the North.

Then what about China? Heightened military tensions in Northeast Asia will inevitably lead to increased US intervention and Japanese military expansion. China, which is preoccupied with its own economic growth, does not wish to see this scenario play out by any means. Not only that, China is actively working to prevent such a crisis situation from occurring. This is where North Korea's foreign policy is focused. By attacking Yeonpyeong, North Korea sent China the message that it has the power to create a Northeast Asian security crisis which will draw US intervention. If China understands this hidden message, Hu Jintao has no choice but to give serious consideration to Kim Jong Il's "wish list," while externally pushing to restart the 6 Party Talks through a series of visits by high-level party officials from both sides.

The Capture of the USS Pueblo and Kim Il Sung's Strategy toward the Soviet Union

During the Cold War period, North Korea played a large part in contributing to tensions and crises on the Korean peninsula. When tensions were at a peak following North Korea's seizure of the USS Pueblo, they were able to extract large-scale military and economic aid through negotiations with the Soviet Union. We can view this incident as a useful example of North Korea skillfully deploying its "warmongering" talents through the seizure of a US spy ship. Recent studies of declassified Russian documents conducted by the Woodrow Wilson Center's "Cold War History Project" have drawn attention by revealing the story behind North Korea's manipulation of the Soviet superpower in relatively fine detail.

After Brezhnev came to power, DPRK-Soviet relations recovered, and from 1965-1968 Soviet aid to North Korea gradually increased. In 1966 North Korea requested Soviet aid for the construction of power plants, metal processing factories, aluminum factories, ammonium factories, etc. They even requested aid for a petroleum refinery despite the fact that they had no crude oil storage facilities. Moreover North Korea suggested that they could build a factory for industrial products in the Moscow area and then the Soviets could purchase the products for external propaganda purposes. At the time the Soviets were in a state of confrontation with China, and despite these outrageous requests they felt that a degree of economic aid was necessary in order to draw North Korea away from China, but they kept putting it off.

At around this time, the US spy ship Pueblo was captured by North Korean warships in the waters off Wonsan on January 23rd, 1968. War clouds roiled over the Korean peninsula, as the US immediately dispatched 3 aircraft carriers including the USS Enterprise and deployed air force jets from Okinawa to advance positions in South Korea. At the time the US believed that

the North Koreans' provocative act had been abetted by the Soviets. But actually Brezhnev, who had no wish for more tension and confrontation with the US in the Far East, was furious with North Korea over this adventurous provocation. Brezhnev immediately communicated to US President Johnson that the Soviet Union had had no part in the incident and wished for a peaceful resolution. Johnson, who was embroiled in the shock of the Tet Offensive (1968.1.30) amid an anti-war atmosphere at home, accepted the Soviets' offer of mediation. The USS Enterprise was withdrawn from the East Sea, and DPRK-US negotiations were soon underway at Panmunjom.

The Pueblo incident was an opportunity for Kim Il Sung to test the strength of the DPRK-USSR Agreement on Friendship, Cooperation and Mutual Assistance (1961.7.6, Moscow) and the DPRK-USSR Military Agreement (1965.5.31, Moscow). Brezhnev summoned Kim Il Sung to Moscow, but Kim Il Sung declined, instead sending Kim Chang Bong (Deputy Prime Minister from June 1966; concurrently minister of National Security from December 1967; purged in December 1968). In a lengthy meeting with Kim Chang Bong, Brezhnev urged North Korea to reduce tensions and negotiate with the US, while acquiescing to North Korea's demands for economic aid along with military support for all modern weapons systems excluding nuclear weapons. While the Soviet Union was unhappy with North Korea's actions, it accepted Kim Il Song's demands in order to pacify North Korea on the pretext of fulfilling its internationalist duties as the leader of the socialist camp.

That year, with Soviet help, North Korea broke ground on the 2 million kW Bukchang Thermal Power Plant, which over the years has undergone many expansions to become the largest power plant in North Korea today. Also in that period the Bukchang Aluminum Factory was constructed, and until the mid-80s North Korea continued to receive modern fighter jets to enhance its defense force. The 82 crew members were returned via Panmunjom just before Christmas after 11 months in captivity, and thus the tensions on the peninsula diminished for the time being.

Creating Crises on the Korean Peninsula and Kim Jong Il's China Strategy

Last May, when Kim Jong Il was in trouble over the Cheonan sinking, Chinese President Hu Jintao called him to Beijing. While Beijing publicly protected North Korea and refused to implicate it as the culprit, they privately intended to take the opportunity to increase North Korea's dependence on China. China emphasized "stronger strategic communication, and exchange of information on internal problems." While it is unclear what was meant by "internal problems," there have been many theories. No matter how much they boast of a "blood alliance" and "friendship," the agreement to exchange information on "internal" problems must have met

with considerable resistance from North Korea, which always puts up a front of “independence” and “self-reliance.”

North Korea is currently facing difficulties in a variety of areas, from security and the economy to the succession issue and foreign relations. Kim Jong Il, making his first visit to China in 4 years, expected to receive extensive military and economic aid from China, which is obviously aware of North Korea’s situation, and thus solve all his problems at once. He also wanted to reach an agreement with President Hu Jintao. Kim Jong Il reportedly submitted a “wish list” of demands including several dozen new-model fighter jets, some \$30 billion in economic assistance, and an annual supply of 1 million tons of crude oil and 1 million tons of rice as emergency aid. However the cooperation plan suggested by China in response was nothing but a meaningless statement with no clear specifications of aid amounts, and what is worse it emphasized reciprocity in the trade relationship. China also reportedly made a scathing criticism of Kim Jong Il, asking why he had so much trouble feeding a mere 20 million people when China managed to keep 1.3 billion safe from starvation. On top of this, Premier Wen Jiabao offered to “teach some tricks” for reform and opening, and ultimately Kim Jong Il was sent home empty-handed. With this the May visit was concluded. Even at the August summit Hu Jintao did not satisfy Kim Jong Il’s expectations in advance of hurried preparations for the political succession.

The time has come for North Korea to change its China strategy. If China will not meekly deliver aid, they must be forced to do so. China’s talk of “brothers in socialism” sounds to North Korean ears more like “a poisoned chalice.” China has never given “magnanimous” aid to North Korea. When the failures of China’s Great Leap Forward drove tens of thousands of residents of the Manchurian region across the river into North Korea the DPRK wholeheartedly offered its help, but during the 3 years of the “Arduous March” period China turned its back and offered no aid to the starving North Korean people. Furthermore, China continues to ignore North Korea’s acute need for military and economic aid today. In this situation, what good is restoring the DPRK-China Treaty (1961.7.11) and the “blood alliance”? North Korea will not submit so easily.

If North Korea strikes out at South Korea and creates a crisis which raises tensions throughout Northeast Asia, who will feel the most anxiety? South Korea? Of course there is little question of that. But South Korea is in no position to pacify North Korea. Actually the one country that must placate Kim Jong Il is China. In 1968 a 27-year-old Kim Jong Il watched as his father manufactured an extreme crisis situation on the peninsula and skillfully used the tension to manipulate the US and the Soviet Union in order to gain military and economic aid. Now he is in the process of teaching his own 27-year-old successor how to skillfully manipulate South Korea and China in the same way. Back then, North Korea set up a “war business” in the East Sea with the USSR as a client; today, it appears to be setting up a similar “business” in the West

Sea, this time aimed at China. We await China's decision.

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